



# NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

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## **CALIFORNIA TREASURER PHIL ANGELIDES COMMENTS ON STANDARD & POOR'S UPGRADE OF STATE'S GO BOND RATING**

SACRAMENTO, CA – California Treasurer Phil Angelides today had the following comments on the announcement by Standard & Poor's that it has upgraded California's General Obligation bond credit rating to A+ from A:

"Today's rating upgrade is welcome news, but it only moves California's credit rating to the position of second worst of any state in the nation, ahead only of Louisiana. We must do better – to gain a respectable credit rating California must have a truly balanced budget that protects education.

"We must heed the warning in S&P's ratings announcement that, 'California's inability to wholly eliminate its structural deficit despite prosperous economic conditions... remains a credit concern.'

"Even in a year when the state has received billions in unexpected revenue Gov. Schwarzenegger has failed to confront the structural deficit by proposing a balanced budget. His revised budget would continue to shift the burden of today's deficits onto the backs of future generations.

"This failure looms large, not only with credit rating agencies but also with the California Legislative Analyst who cautioned in her comments about the governor's revised 2006-07 budget that the time to act on the structural deficit is now."

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